

Message Text

CONFIDENTIAL

PAGE 01 COLOMB 02132 060358Z
ACTION NEA-11

INFO OCT-01 ISO-00 AGRE-00 EB-08 AID-05 OMB-01 COME-00
TRSE-00 STR-07 CIAE-00 INR-10 NSAE-00 PA-01 ICA-11
/055 W

-----032756 061952Z /62

R 051130Z MAY 78
FM AMEMBASSY COLOMBO
TO SECSTATE WASHDC 296

C O N F I D E N T I A L COLOMBO 2132

E.O. 11652: GDS
TAGS: EAID, EAGR, CE
SUBJECT: INCREASE IN WHEAT FLOUR PRICE

REF: STATE 111952

1. DURING MAY 4 VISIT TO OFFICE OF DEPUTY FOOD COMMISSIONER (DFC), EMBOFF WAS INFORMED THAT FOOD COMMISSIONER (FC) OFFICE KNEW OF NO RECENT GOVERNMENT OF SRI LANKA (GSL) DECISION TO EFFECT WHEAT FLOUR PRICE INCREASE. DFC STATED HIS BELIEF THAT KARUNARATNE STATEMENT TO UNDER SECRETARY NEWSOM ONLY MEANT TO GIVE ASSURANCE OF GSL CONTINUED INTENTION TO IMPLEMENT PRICE RISE AS COMMITTED TO IMF.

2. DFC OFFERED, IN SOMEWHAT APOLIGETIC TERMS, FOLLOWING EXPLANATION OF DELAY, WHICH HE SAYS IS DUE TO POLITICAL CONSIDERATION, I.E. PUBLIC REACTION TO INCREASE. HE EXPLAINED THAT ALTHOUGH THE ORIGINAL PLAN WAS TO RAISE THE PRICE IN APRIL, THE GOVERNMENT CONSIDERED THE POLITICAL CLIMATE TO BE SUCH THAT AN ADDITIONAL BLOW TO AN ALREADY COST-OF-LIVING CONSCIOUS PUBLIC MIGHT BRING STRONG REACTION. HE STATED THAT HE BELIEVES THE CABINET IS WORKING ON A PACKAGE PLAN WHEREIN FLOUR PRICE INCREASE WILL BE INTRODUCED ALONG WITH BALANCING ITEMS, SUCH AS
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 COLOMB 02132 060358Z

SALARY INCREASES AND POSSIBLY OTHER ADJUSTMENTS. HE STATED THAT THE BUMPER HARVEST OF RICE MADE SOME REDUCTION IN RICE PRICE PARTICULARLY ATTRACTIVE AS A BALANCER BECAUSE OF ITS ROLE AS A SUBSTITUTE COMMODITY; HE ADDED, HOWEVER, THAT IN ORDER FOR THE GOVERNMENT TO UTILIZE THE ADVANTAGE THE GOOD RICE CROP REPRESENTED, THE FLOUR PRICE WOULD HAVE TO BE RAISED BEFORE RICE

SUPPLIES BEGAN TO DIMISH.

3. CENTRAL BANK PERSONNEL ARE VERY DISTRESSED
BY DELAY WHEN A NUMBER OF SEPCIFIC DEADLINES HAVE ALREADY
COME AND GONE.

4. WE EXPECT THE PARIS CONSORTIUM WILL HAVE ELICITED
MORE DETAILS, SINCE ALL KEY FIGURES EXCEPT JAYEWARDENE ARE
THERE.
WRIGGINS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WHEAT, FLOUR, PRICE CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 05 may 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978COLOMB02132
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780194-0015
Format: TEL
From: COLOMBO
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780590/aaaacytn.tel
Line Count: 72
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0edccba3-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: ONLY
Reference: 78 STATE 111952
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 06 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2784540
Secure: OPEN
Status: NATIVE
Subject: INCREASE IN WHEAT FLOUR PRICE
TAGS: EAD, EAGR, CE
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/0edccba3-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014